GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Chit Fund Act, 1982 – Appeal Petition filed by Sri Nalapati Naga Bhushanam, Guntur against the Award passed in Dispute No.224/2014 dated 06.05.2019 by the Deputy Registrar of Chits, Guntur – Orders – Issued.

REVENUE (REGN.II) DEPARTMENT

G.O.RT.No. 1079 Dated: 30-10-2019

Read the following:-

1. Appeal Petition filed by Sri Nalapati Naga Bhushanam, Guntur dated 05.07.2019.
2. Govt. Letter No. REVSOACTS(CHIT)/25/2019, Dated:19.08.2019, 4.9.2019 and 24.9.2019.

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ORDER:-

Sri Nalapati Naga Bhushanam, Guntur has filed an Appeal Petition before the Government under Section 70 of the Chit Fund Act, 1982 against the Award in Dispute No.224/2014 dated 06.05.2019 passed by the Deputy Registrar of Chits, Guntur.

2. Brief facts of the case is as follows:-

(i) The appellant herein has joined the Chit No:FGRT02K-15 and allotted Ticket No.15 worth of Rs.6,00,000/- at the rate of Rs.12,000/-per month for 50 months. Sri Nalapati Nagabhushanam participated in the bid auction on 28.2.2011 and became successful bidder having agreed to forego Rs.2,40,000/- and the Opponent No.1 furnished guarantors who executed an agreement of Guarantee jointly in favour of the disputant company agreeing to a guarantee the due payment of the amounts due to the company by the 1st opponent. The company has paid the prize amount of Rs.3,60,000/- to the appellant on 25.08.2011. Sri Nalapati Naga Bhushanam has paid (31) installments in full and inclusive of dividends and of 32nd instalment and thereafter committed default in paying the installments from July, 2013. Inspite of repeated demands made by the disputant company, the opponents failed to pay the dues. The disputant company demanded and opponents to pay the sum of Rs.2,21,231/- by getting the legal notice issued on 5.12.2014. As the opponents failed to comply with the demands of the said notice, the Disputed Company filed a dispute application before the Deputy Registrar of Chits, Guntur and the same was numbered as Dispute No.224/2014. The Deputy Registrar of Chits, Guntur sent notices to all the opponents to appear before the Arbitrator/Dy. Registrar of Chits, Guntur. The Deputy Registrar of Chits, Guntur passed award in Dispute No.224/2014, dated:06.05.2019 in favour of the Respondent No.1 herein ordering that the company is entitled to recover a sum of Rs. 2,76,303/- (Rupees Two lakhs seventy six thousand three hundred and three only) from the opponents jointly and severally together with interest at the rate of 18% per annum on the principal amount of Rs.2,21,231/- from the date of filing of the Dispute i.e., 26.12.2014 till the date of award and thereafter at 12% p.a. from the date of award till realization.

3. The case is posted for hearing on 28.10..2019 at 11.00 a.m. The Counsel for the Appellant and the Counsel for Respondent (Chit Fund Company) attended. Heard both the parties.

4. Government after careful examination of the material available on record, allowed the appeal partially and the order passed by the Deputy Registrar of Chits, Guntur is hereby modified. The appellants herein who are the Opponents No.1 to 8, in

[P.T.O.]

Dispute No. 224/2014, dated: 06.05.2019 on the file of Deputy Registrar of Chits, Guntur are hereby directed to pay the Principal amount alongwith interest @ 9% from the date of filing of the dispute i.e., 26.12.2014 as mutually agreed by both the parties within 3 months i.e., by 30.01.2020. In default, the Respondent No.1 (Chit Fund Company) who is the disputant in Dispute No. 224/2014 is at liberty to proceed as per Chit Fund Act,1982 to recover the award amount as decreed by Deputy Registrar of Chits, Guntur in Dispute No.224/2014 after 30.01.2020 from the opponents.

5. In exercise of the powers conferred under section 70 of the Chit Fund Act, 1982, the Government is hereby allowed the appeal of the appellant being common understanding of both the parties and disposed of accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.D.SAMBASIVA RAO
SPECIAL CHIEF SECRETARY TO GOVERNMENT

1. The Dy. Registrar of Chits, Guntur.
2. M/s Kapil Chits (Kosta) Pvt. Ltd., Guntur through the Dy.Registrar of chits, Guntur.
3. Sri Nalapati Naga Bhushanam, Head Constable, Prohibition & Excise Dept., Near Taluka Compound, Brodipet, Guntur R/o. D.No. 66, 3rd line, Rajiv Gandhi Nagar, Guntur through the Dy. Registrar of Chits, Guntur.
3. Smt. Kalukuri Deva Mani, W/o. Nelapati Naga Bhushanam, R/o. D.No. 66, 3rd Line, Rajiv Gandhi Nagar, Guntur through the Dy. Registrar of Chits, Guntur.
4. Smt. Vasimalla Lourdu Mary, W/o. Kuchipudi Rajeswara Rao, R/o. D.No. 4-15-128, Medical Hostel Back Side, 9th Line, Bharatpet, Guntur through the Dy. Registrar of Chits, Guntur.
5. Sri Tadigiri Suresh Kumar, S/o. Prakasa Rao, R/o. D.No. 4-16-100, 1/1 Line, Bharathpet, Guntur through the Dy. Registrar of Chits, Guntur.
6. Sri Meka Srinivasa Reddy, S/o. M.Bali Reddy, R/o. D.No.9-205, Tadepalli, Guntur Dist., through the Dy. Registrar of Chits, Guntur.
7. Sri Puvuluri Ramulu, S/o. Bhikshamaiah, R/o. D.No. 7-130, Amaravathi Road, Gorantla Post, Guntur Dist., through the Dy. Registrar of Chits, Guntur.
8. Sri Bommati Ravinder Reddy, S/o. Shankar Reddy, R/o. D.No. 12-25-81, Mallaiah Lingama Bhavan, CPI Building, Kothapeta, Guntur through the Dy. Registrar of Chits, Guntur.
9. Sri Pasula Narasimha, S/o. Venkaiah, R/o. D.No. 12-25-81, Mallaiah Lingama Bhavan, CPI Building, Kothapeta, Guntur through the Dy. Registrar of Chits, Guntur.
10. Sri B.Sasibushan Rao, Advocate, FF2, Creepers Nest, Govt. Guest Lane, Undavalli Centre, Tadepalli, Guntur through the Dy. Registrar of Chits, Guntur.

Copy to:

8. The Commissioner & Inspector General, R&S, A.P., Vijayawada.
9. The P.S. to Spl. C.S. to Govt., Revenue (Regn) Dept.

//FORWARDED::BY ORDER//

SECTION OFFICER